

PART I - THE SCHEDULE

SECTION H

SPECIAL CONTRACT REQUIREMENTS

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PART I - THE SCHEDULE

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 PROJECT CONTROL SYSTEMS AND REPORTING REQUIREMENTS

(a) Project Control System

- (1) The contractor shall establish, maintain and use a project control system that accurately reflects the project status relative to cost and schedule performance, and tracks changes to the baseline. This system shall be fully integrated with the financial accounting systems to ensure consistent reporting of costs. The contractor shall maintain a project control system in accordance with the following requirements:
 - (i) DOE Order 413.3, Program and Project Management for the Acquisition of Capital Assets, October 13, 2000;
 - (ii) Integrated Planning, Accountability, and Budgeting System Information Systems (IPABS-IS) Data Requirements, February 16, 1999;
 - (iii) Integrated Planning, Accountability, and Budgeting System (IPABS) Handbook, February 16, 1999;
 - (iv) HQ Baseline Change Control Charter, Office of Environmental Management, Rev. 0, June 23, 1999;
 - (v) DOE G 430.1-1 Cost Estimating Guide
- (2) The contractor shall provide the Contracting Officer (CO) with a detailed written description of the proposed project control system for review and approval within 90 days after award of this contract. Cost effective, graded application of controls will be a critical factor in determining acceptability of the proposed system.

The existing project control system may be used until such time as a replacement system is approved. The contractor shall evaluate the usefulness and cost effectiveness of the existing system and its relationship to the other site information systems. The evaluation shall also identify any enhancements or modifications that are necessary to bring the existing system into compliance with the requirements of the contract, prior to the take over date.

- (3) The Department of Energy (DOE) Contracting Officer's Representative (COR) or designated representatives will conduct a compliance review of

the contractor's proposed project control system to determine if the description and procedures meet the intent of this contract clause.

(b) Baseline Development and Cost Collection

- (1) The contractor shall develop and submit a life cycle baseline (LCB) consistent with the terms and conditions of this contract and its proposal within six months after contract award date. The baseline shall be developed in accordance with DOE Order 413.3 and include the entire life cycle baseline (to complete EM cleanup at INL) with a detailed development of the scope, cost, and schedule for the scope identified in this Statement of Work. The detailed life cycle baseline must match the SOW in Section C and align with the Target Cost and Fee funding profile in Section B.2. For work scope beyond the term of the contract, planning packages and rough order of magnitude of estimates may be used for the balance of the life cycle scope in accordance with DOE Order 413.3. The Work Breakdown Structure (WBS) for the work scope shall provide the basis for all project control system components, including estimating, scheduling, budgeting, performing, managing, and reporting, as required under this contract. The contractor shall identify the WBS elements that will roll up to DOE's Project Baseline Summary (PBS) levels.
- (2) Cost estimates shall be integrated with the WBS and estimating methodologies used shall be consistent with DOE Order 413.3. Costs shall be discernable by Budget and Reporting (B&R) code, direct, indirect and fee. The project control system must maintain capability to provide Total Estimated Cost (TEC), Total Project Cost (TPC), Estimates-to-Complete (ETC), and Estimates-at-Completion (EAC) along with tracking of the Target Cost and Target Schedule.
- (3) Schedules shall be developed that integrate with the WBS. All project work scope shall be included regardless of funding source. Certain non-project level of effort work scope may be excluded at the discretion of the CO. Each Project Baseline Summary will have assigned duration that will be based on work scope. Activity logic links shall depict all work scope constraints and decision points and shall be integrated into a total project network schedule. The project schedule shall clearly depict critical path activities and milestones. Activities shall be resource loaded at the lowest practical level of the WBS, but at a minimum at least one level below the PBS to develop time-phased budgets that are integrated with the schedule. Float analysis will be summarized at the PBS and total project levels.
- (4) The contractor shall propose at least five major milestones from the LCB by September 1 of each year for approval by the CO. These milestones shall represent the significant physical accomplishments scheduled for

each fiscal year. Performance against these milestones will be considered when determining adjustments to the provisional fee payments.

- (5) The contractor shall analyze DOE proposed or directed funding changes for their impact on technical, schedule, and cost elements of the baseline, along with potential impacts to the Target Cost and Target Schedule.
- (6) Any contractor requested changes or DOE directed changes shall be addressed through the established change control process detailed in Section H.1(d). This process will not, in and of itself, have the authority to change the Target Project Cost and Schedule.
- (7) Prior to the release of funds for each fiscal year, DOE will analyze the baseline for that fiscal year. By June 30 each year DOE will provide an estimate of any budget restrictions or specific technical or schedule guidance for the upcoming fiscal years through the remainder of the project. The contractor shall prepare a project performance forecast for all upcoming fiscal years from the approved project baseline. The contractor shall submit budget allocations to each PBS for the upcoming fiscal year with a focus on differences to the work activities described in the Project Baseline for that specific year. This deliverable is known as the Annual Operating Plan (AOP), as derived from the LCB and shall be approved the Contracting Officer.
- (8) The contractor shall provide variance justification for differences between planned and actual performance against the total project baseline and the Target Cost and Target Schedule. Performance analysis techniques shall be commercially accepted and documented, shall utilize earned-value methods, and shall be reported to DOE at one level lower than the PBS level. Performance metrics (i.e., quantities) are preferred for all technical work scope unless otherwise approved by the CO. For variances greater than $\pm 10\%$, the analysis shall detail the causes for variance, impact on other PBSs, and corrective action required.
- (9) The contractor shall evaluate the EAC for the project quarterly to ensure that it is consistent with observed trends in performance, emerging or resolved issues, and changes in the assessment of project risk. The results of the evaluation shall be transmitted to the CO.
- (10) All actual direct costs incurred for resources applied in the performance of work shall be recorded on a timely basis each month. Actual costs incurred must be recorded in the same accounting period that performance is measured and recorded. Any indirect costs shall also be collected and appropriately allocated to the PBSs per the approved Cost Accounting Standard (CAS) Disclosure Statement.

- (11) Costs shall be collected at a charge number level and be able to be summed through the WBS, PBS, and by major contractor functional organization. Mischarges on time cards or other administrative or accounting errors shall be corrected in a timely manner.

(c) Project Reporting

- (1) The contractor shall provide monthly status reports on each PBS and the total project in a format approved by the CO. At a minimum, the status shall include cost and schedule variance at a suitable WBS level with rollup to the PBS, the status of major milestones, and critical technical or programmatic issues.
- (2) Semi-Annual Critical Analysis (SACA). Twice each year the contractor shall prepare and submit a comprehensive report that critically analyzes the overall status of the LCB as well as any key metrics. This report shall include overall narrative summaries, analysis of schedule trends and project float, critical path performance, analysis of critical manpower skills of other resources, budget and funding figures, and project risk updates.
- (3) Plans and reports shall be prepared in such a manner as to provide for consistency with the contract SOW, the LCB and the approved WBS. The contractor's reporting system shall be able to provide for the following at the PBS level:
 - (i) Timely incorporation of contractual changes affecting estimated cost and schedule
 - (ii) Reconciliation of estimated costs for those elements of the WBS with current performance measurement budgets in terms of changes to the authorized work and internal re-planning
 - (iii) Changes to records pertaining to work performed that will change previously reported costs for correction of errors and routine accounting adjustments
 - (iv) Revisions to the contract estimated costs for DOE-directed changes to the contractual effort.
- (4) The contractor shall provide the CO, or designated authorized representatives, full access to any and all information and documents comprising the contractor's project control and reporting system, including read-only access to associated electronic information systems.

- (5) The contractor shall include graded reporting requirements in all subcontracts adequate to fairly evaluate performance and support the contractor reporting requirements.

(d) Baseline Change Management

- (1) The baseline is the source document for all project control and baseline change management. The processes for managing and administering changes to all elements of the baseline shall be timely, formal, and documented. Baseline changes shall be proposed when:
 - (i) Scope is added or deleted
 - (ii) Necessitated by significant project delays, events or other impacts
 - (iii) The parties have negotiated an equitable adjustment in accordance with the FAR Clause 52.243-2 "Changes-Cost Reimbursement" or other clauses of this contract.
- (2) The approval authority for any change to the Target Schedule or Target Cost shall be the Assistant Secretary for Environmental Management. The Assistant Secretary for Environmental Management shall approve any change to Target Cost that would require additional funding.
- (3) Change control shall be submitted to the Contracting Officer for all items in H.1(d)(1) above. Change control that does not affect these items but is a result of scheduling within major milestones shall be provided to the CO for notification upon contractor internal approval. Only the Contracting Officer can authorize work scope changes.
- (4) In some circumstances the contractor might exceed authorized budget levels for a PBS when a baseline change is not warranted, such as for cost overruns; however, the contractor shall not exceed the funding level by PBS. The current year ETC Analysis shall track and manage changes in funding at each PBS level.
- (5) The CO will establish specific change control time frames for consideration and approval. Each change control threshold level shall accommodate emergency changes. Retroactive changes that affect schedule and cost performance data are not allowed except to correct administrative errors. A record of all approved changes shall be maintained through the life of the project. Change control records shall maintain a clear distinction between approved changes in funding and baseline changes. Ownership of Change Control Board records and Project Management records resides with DOE

- (6) Any changes to target cost, target schedule or target fee shall be executed only through a contract modification by the CO pursuant to the contract terms and conditions. Baseline changes may not imply the need for changes to Target Cost, Target Schedule or Target Fee.

H.2 PROGRAMMATIC RISKS AND UNCERTAINTIES

- (a) Completion of this project will require DOE and the contractor to successfully identify, analyze, resolve, mitigate, eliminate or avoid many types of risk. Risks to the worker, the public and the environment are managed through the ESH&QA/ISM Program identified in Section C. Risks to project schedule and cost are classified as programmatic risk and shall be managed through the Programmatic Risk Management process within the Project Management System specified by DOE Order 413.3. The contractor's initial risk management plan (that was submitted with its proposal) shall be updated and submitted for review and DOE approval within 90 days after contract award and annually thereafter.
- (b) The contractor shall provide its assessment of the impact these uncertainties may have on project cost and schedule. If, in the contractor's opinion, the risk to cost and schedule is significant, the contractor shall describe its approach to eliminate, avoid, or mitigate the risks.
- (c) The contractor shall identify other significant uncertainties contained within the SOW that, in its opinion, are not listed below yet provide a significant risk to cost and schedule. The contractor shall describe its approach to eliminate, avoid or mitigate these additional risks.
- (d) If the contractor pursues aggressive alternative approaches to existing regulatory agreements or commitments, the contractor shall specify a confidence level for obtaining regulatory approval and a risk mitigation strategy, in the event regulatory approval is not obtained.
- (e) The contractor shall identify its approach for identifying future uncertainties and their associated programmatic risks, including the availability of funds. The contractor shall describe how it will manage and communicate uncertainty and risks to DOE during the performance of the contract.
- (f) The contractor shall address the following programmatic uncertainties within the Statement of Work:

Item	Uncertainty	Description
1	Disposal Pathway and Schedule for Sodium Bearing Liquid Waste and Tank Farm Closure	The Statement of Work (SOW) assumes that the sodium-bearing liquid waste (SBW) can be treated and then disposed at the Waste Isolation Pilot Plant as transuranic waste and that tank farm soils can be managed as either transuranic or low-level waste, and that work that depends on such treatment and disposal can begin in FY05. This, in turn, requires that the legal uncertainty concerning whether this waste can be so classified, has been satisfactorily resolved by that time. Project scheduling requires planning for permitting and construction cycles to meet the December 31, 2012 Settlement Agreement milestone to complete treatment of this waste.
2	Disposal of High Level Waste Solids (Calcine)	The SOW assumes that the high-level waste solids (calcine) will be disposed at the geologic repository despite the current exclusion of RCRA-regulated waste. The ability to demonstrate that the calcine meets the Waste Acceptance System Requirements Document (WASRD) http://www.ocrwm.doe.gov/wat/wat.shtml in its current form, i.e., without treatment, is uncertain. A suitable canister to transport the calcine to the repository has not yet been established.
3	WAG 7 Unresolved Issues	The SOW is silent regarding the disposition of facilities constructed and owned by Lockheed Martin Advanced Environmental Services (LMAES). Until such time as the litigation to adjudicate claims made by LMAES is completed, detailed work plans for remediating WAG 7 cannot be finalized or executed, because a LMAES building is located on top of a portion of Pit 9 which is a part of WAG 7. The SOW assumes that the LMAES facilities will not impede remediation of WAG 7.
4	End States for CERCLA Records of Decision	Because the Records of Decision for Operable Units 3-14, 7-13/14 and 10-08 have not yet been approved, the end states are not defined and detailed work plans cannot be finalized or executed.
5	Condition of the CPP-603 Dry Spent Nuclear Fuel (SNF) Storage Facility and Aging of Installed Equipment	The aggressive schedule for moving SNF into dry storage at CPP-603 may be impacted by the single point of entry for access and egress into the Irradiated Fuel Storage Facility and reliability of installed equipment, including the transfer cart, overhead cranes, and manipulators.
6	Remediation of Soils Under Buildings	As buildings are demolished, an indeterminate amount of soil under the buildings are likely to contain constituents that cause the soils to be managed as mixed, high-level or remote-handled TRU waste.
7	Method to Dispose of Decommissioned Nuclear Reactors and Confinement Buildings	The method for remediating the Materials Test Reactor, the Engineering Test Reactor, the Power Burst Facility, and those portions of the Contained Test Facility, not involved in the Specific Manufacturing Capability (SMC) Program, is yet to be determined.

Item	Uncertainty	Description
8	Disposition Method for Spent Nuclear Fuel (SNF) Wet Basins and Canals	The method for deactivating or demolishing the SNF basins located in CPP-603 and TAN-607 and the SNF Canals located in TRA-603 (MTR Canal), TRA-642 (ETR Canal), and PBF-620 (PBF Canal) has not yet been determined.
9	Using the Calciner as Treatment Method for Sodium-Bearing Liquid Waste	The Idaho Settlement Agreement requires DOE to complete calcination of sodium-bearing liquid waste by December 31, 2012, but the FFA/CO requires a RCRA closure plan to be implemented for the New Waste Calcining Facility (NWCF). The NWCF is currently undergoing a RCRA partial closure that involves the flushing and isolation of process piping and the cutting and capping of utility piping entering the calciner cell.
10	Waste with no path for disposal	Some waste has no commercial or government treatment options because of radiation levels, chemical composition, physical matrix or combinations of each. Similarly, irradiated beryllium blocks from reactor internals have no disposal path.

H.3 DOE CONTRACT ADMINISTRATION AND OVERSIGHT

- (a) The SOW presents significant work scope challenges to the contractor, and makes it imperative that DOE has a focused approach for providing oversight of contractor work. This approach shall provide effective DOE oversight of project work, yet it must not present the contractor with burdensome or "non-value added" work related distractions.
- (b) DOE oversight approach shall include reviews of periodic administrative progress reports submitted by the contractor and direct observation by DOE employees of contractor work in progress.
- (c) DOE oversight of work in progress will include specific provisions for the designation and qualification of DOE employees conducting oversight activities. This will include the following elements:
 - (1) The number of DOE employees providing technical direction to the contractor will be limited and formally designated, by name, in writing by the CO
 - (2) DOE employees assigned oversight responsibilities will be trained and qualified in areas of technical competency. The areas of technical competency will focus on the work conducted by the contractor (i.e., waste packing, facility demolition, facility decontamination, crane operation and heavy-lifting safety, etc.). Prior to conducting formal oversight of contractor work, the technical competency of designated DOE

employees will be examined, approved and documented as defined in the DOE Oversight Plan.

- (d) DOE oversight activities will focus primarily on a safe, accelerated cleanup of the Idaho National Laboratory (INL) site. DOE oversight will be conducted in a tailored and proactive manner with minimal interference with project progress. The contractor shall respond to DOE oversight and to concerns, findings and observations as identified by the CO or COR during the conduct of these oversight activities. The five fundamental areas of oversight are as follows:
- (1) Project Management Oversight: This includes daily field inspections and the monthly and quarterly assessment of project status, which will be used to determine and validate project performance. The qualification of DOE employees conducting this oversight is described in Section H.3(c).
 - (2) Contract Management Oversight: Administration and monitoring of the prime contract will be in accordance with the contract terms and conditions which include, but are not limited to, the oversight required under FAR Subchapter G – Contract Management (FAR Parts 42-51) and its supplements.
 - (3) Financial Management Oversight: DOE will review all budgetary data submitted by the contractor to be provided into the Integrated Planning, Accountability, and Budgeting System (IPABS). DOE will review the status of all designated Idaho management commitments. DOE will monitor and audit contractor funds management practices and procedures to ensure compliance with applicable regulations and statutes.
 - (4) Daily Oversight: DOE Facility Representatives, Project Managers and Subject Matter Experts will conduct daily oversight. The qualification of DOE employees conducting this oversight is described in Section H.3(c). The purpose of these contacts will be to assess compliance with the terms and conditions of the contract. In addition to this daily involvement, the contractor shall support:
 - (i) Senior management walk-throughs, conducted in scheduled areas of the plant or locations where significant work is ongoing
 - (ii) Specific tours of buildings just prior to demolition, or release sites that have been deemed as response actions
 - (iii) Periodic walk-throughs by the regulators, Defense Nuclear Facilities Safety Board (DNFSB), or DOE Headquarters personnel
 - (iv) Employee concerns elevated to DOE for evaluation.

- (5) Scheduled Assessments: DOE will publish a three-year schedule of assessments that will be provided on DOE Idaho Operations Office web site. Adjustments will be made no fewer than 30 days prior to any planned assessment (with the exception of a “For Cause” review). Specific assessment details will be provided 30 days in advance to the involved organizations. Assessment reports will be formally transmitted to the contractor for development of a corrective action plan, if required. DOE will verify and validate the contractor’s effectiveness in correcting the root cause problem of the concerns and findings.
- (e) The CO shall designate the COR for giving technical direction by separate letter. The contractor shall use the COR as the primary point of contact on technical matters (See the Correspondence Procedures clause, Section G, for definition), subject to the restrictions of DEAR 952.242-70. Other individuals, to be identified by the CO, may be delegated with administrative COR authority.

H.4 GOVERNMENT FURNISHED SERVICES/ITEMS (GFSI)

- (a) DOE and the contractor recognize that implementation of the SOW in an optimized fashion is dependent upon many activities, including the GFSI identified below.
- (b) Within thirty (30) days after the takeover date of the contract and by September 1 prior to each fiscal year end, the contractor shall provide the CO a projection of its needed Government Furnished Services and Items (GFSI), for the upcoming fiscal year in the format of Table H-4. The contractor shall also provide quarterly updates to this projection, if changes occur, to the CO. Amendments to the projection, if any, shall be provided to the CO 45 days in advance of the GFSI need date.
- (c) DOE will review each contractor submittal of GFSI needs and, within 15 calendar days, shall notify the contractor whether it will provide the requested GFSI. If DOE will not provide the GFSI as requested by the contractor, DOE will identify when it can provide the requested GFSI within 30 days of the request. If DOE cannot provide the request for GFSI within the time periods listed in Table H-4, the Contractor may be entitled to pursue remedies in the manner and subject to the limitations set out in subparagraphs (b) and (h) of the DEAR Clause 952.245-5 “Government Property (Cost-Reimbursement, Time-and-Material, or Labor-Hour Contracts).”
- (d) All equipment, supplies and other materials needed to perform this work and not included as Government furnished equipment shall be supplied by the contractor. A Personal Property List is available on the shared library referenced at www.id.doe.gov.

- (e) DOE shall make its best effort to complete the DOE services as specified in this contract and to review and approve documents as specified below. If DOE does not complete specific services as specified in the contract, the contractor may submit for negotiation a request for equitable adjustment. DOE will eliminate, as allowed by regulations, non-safety related surveillances and assessments when the contractor demonstrates an effective self-assessment program that includes self-identification, setting of corrective actions and effective corrective actions to prevent recurrence.
- (f) Management Products and Controls Deliverables: DOE shall approve or disapprove the contractor's deliverables specified in Section H, Project Control Systems and Reporting Requirements, within 90 days of contractor submittal.

Table H-4**Detailed Description of Government Furnished Services and Items:****I. Safety Basis Documents and DOE Orders:**

Scope	Requirement	Government Furnished Services & Items
<p><u>AB Documents</u></p> <p>DOE shall review and approve AB documents submitted by the contractor as required by the terms and conditions of the contract. DOE and the contractor shall use a collaborative process in ensuring AB documents are developed in a quality manner meeting applicable laws and DOE directives and are reviewed and approved in a timely and efficient process. This includes the use of in-process reviews of AB documents including AB documentation planning, hazard analysis review, accident analysis review, and final review.</p>	<p>Approval of AB documents in a timely and efficient manner.</p>	<p>DOE will review and either approve (with or without comments) or disapprove (with comments and basis) documents as follows:</p> <ul style="list-style-type: none"> a) Document Safety analysis (DSA)/Technical Safety/Requirement (TSR) – 16 weeks. b) Preliminary DSA – 16 weeks c) TSR – 8 weeks d) Minor Safety Basis change – 6 weeks e) Major Safety Basis change – 12 weeks

<p><u>Risk Management Plan</u></p> <p>DOE shall review and approve the contractor Risk Management Plan.</p>	<p>Within 90 days of contract award, the contractor shall submit an update of the Risk Management Plan submitted with the proposal for DOE review and approval, and annually thereafter.</p>	<p>f) Annual update to DSA – 8 weeks</p> <p>g) Unreviewed Safety question/Justification for Continued Operations – 6 weeks</p> <p>h) Health and Safety Plan – 10 weeks</p> <p>i) Safety Analysis reports for Packaging (onsite) – 12 weeks</p> <p>j) Draft environmental and regulatory decision and compliance related documents and reports: DOE will review environmental and regulatory decision documents and reports and provide comments, approval or concurrence within 30 calendar days. DOE will reduce review times based on the use of a collaborative process in developing the document between the contractor, DOE, and the regulator.</p> <p>k) Authorization Agreements for appropriate nuclear facilities per DOE G 450.4-1B, Integrated Safety Management System Guide – 30 days.</p> <p>l) Update of the initial Risk Management Plan and annual updates, thereafter – 30 days</p>
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II. Waste Management, Spent Nuclear Fuel, and Excess Nuclear Materials

Scope	Requirement	Government Furnished Services & Items
<p>A. <u>Transuranic and Transuranic Mixed Waste</u></p> <p>The contractor shall retrieve and dispose of RH-TRU and RH-TRU Mixed waste as described in SOW, Section C.3. The transportation of this material shall occur in transport casks and shipping assets provided by WIPP.</p> <p>Contractor shall maintain appropriate certifications for RH-TRU waste disposal to the WIPP</p>	<p>Certified casks and shipping assets approved to ship RH-TRU to WIPP.</p> <p>DOE certification for disposal of RH-TRU waste to WIPP.</p>	<p>WIPP will provide certified casks, trucks, trailers and drivers for shipment of RH-TRU waste throughout the contract period per a shipping schedule established by DOE.</p> <p>DOE review, comment, and approval of contractor implementing documents to maintain WIPP certification.</p>
<p>B. <u>Excess Nuclear Material</u></p> <p>The contractor shall dispose of excess nuclear material identified during the contract to another DOE or commercial facility as defined in SOW, Section C.2.6, C.3.4.2, and C.5.4. DOE will identify approved receiver sites for this material and provide safe secure transport (SST) for required materials.</p>	<p>Receiver sites for excess nuclear material not to be disposed of as waste.</p> <p>SSTs as required to support transport schedule.</p>	<p>DOE will identify approved receiver sites on a schedule that supports the contractors proposed de-inventory plan for excess nuclear materials that will not be disposed of as waste.</p> <p>SSTs per a shipping schedule established by DOE.</p>

III. DOE Oversight of Contractor Work

Scope	Requirement	Government Furnished Services & Items
<p>A. <u>DOE Oversight of Contractor Work:</u></p> <p>DOE will oversee contractor work as described in paragraph H.3 of Section H, Special Contract Requirements.</p>	<p>A focused approach for providing oversight of contractor work.</p>	<p>a) Within five working days after award of this contract, DOE will provide to the contractor a copy of the ICP DOE Oversight Plan.</p> <p>b) Throughout the period of performance of this contract, DOE will provide oversight of contractor work in accordance with the ICP DOE Oversight Plan described in Section H.3.</p> <p>c) Integrated Safety Management System: DOE will approve or disapprove the contractor's ISMS description as required by Section C.9.2. DOE shall complete the review of the submittal by the contractor within 60 days of receipt from the contractor. The approval and verification of the acceptability of the ISMS description shall be performed by DOE in accordance with DOE-HDBK-3027-99, Integrated Safety Management Systems (ISMS) Verification, Team Leader's Handbook.</p>
<p>Contractor submits QA program for nuclear facilities per Section H.14.</p>	<p>QA program required to be submitted per 10 CFR 830.120 and DOE O 414.1A.</p>	<p>d) DOE will approve contractor QA program within 90 days of submission.</p>

IV. Project Control, Infrastructure, and General Site Operations

Scope	Requirement	Government Furnished Services & Items
<p>A. <u>Project Support Services</u></p> <p>The contractor shall provide general project support services as described in SOW, Section C.9.</p>	<p>Government controlled services, data systems and technical systems are available for contractor access as needed to provide project support services.</p>	<p>DOE will ensure the following services, data systems and technical systems are available to the contractor throughout the period of performance of this contract:</p> <ul style="list-style-type: none"> a) Computerized Accident/Incident Reporting System (CAIRS) b) Non-Compliance Tracking System (NTS) Database c) Occurrence Reporting and Processing System (ORPS) d) Nuclear Material Management and Safeguards Systems Software e) Access to the EM's Integrated Planning, Accountability and Budget System (IPABS)

Scope	Requirement	Government Furnished Services & Items
<p>B. <u>Project Management</u></p> <p>DOE review and approval of contractor project management systems and reports.</p>	<p>DOE's oversight and approval of the contractor project management systems per DOE O 413.3.</p>	<p>a) Approved project control system</p> <p>b) Review and approval of baseline changes</p> <p>c) Annual approval of five major LCB milestones proposed by the contractor for provisional fee payment.</p> <p>d) Review and approval of annual update to the Risk Management Plan per DOE 413.3</p> <p>e) DOE review and approve contractor transition plan within 7 days of submittal.</p> <p>f) Approve format for PBS reporting structure.</p>
<p>C. <u>Utility/Infrastructure Services</u></p> <p>DOE approval of termination of utilities for facilities to be demolished.</p>	<p>Contractor notifies DOE 6 months in advance of termination of utility services.</p>	<p>DOE shall approve or disapprove termination of utility services to occupied facilities within 15 days of contractor request for termination.</p>

Scope	Requirement	Government Furnished Services & Items
<p><u>D. Safeguards & Security</u></p> <p>The contractor shall promptly prepare and submit applications for security clearances as required for work under this contract in spent nuclear fuel and special nuclear material areas.</p>	<p>The contractor shall request the security clearances for employees as required to execute the contract SOW.</p> <p>DOE shall process contractor security clearance requests.</p>	<p>a) DOE shall promptly process Contractor security clearances. On average, processing time will be in accordance with DOE Order 472 guidelines which for clear cases will be at or below the following:</p> <p style="padding-left: 40px;">Q - 75 days</p> <p style="padding-left: 40px;">L - 75 days</p> <p>b) Processing time begins upon receipt of the case from the Contractor.</p>
<p><u>E. Maintenance and Upkeep of Facilities</u></p> <p>The contractor shall submit to DOE for approval a new minimum safe maintenance approach and site maintenance frequencies that takes into account future mission and deactivation or demolition schedules for facilities.</p>	<p>Approval of minimum safe maintenance approaches and frequency of site maintenance based on facility mission and deactivation or demolition schedule.</p>	<p>DOE shall approve changes in minimum safe maintenance frequency of general site maintenance, or other modifications to maintenance or facility upkeep approaches within 30 days of the request from the contractor.</p>

H.5 RESPONSIBLE CORPORATE OFFICIAL

- (a) If a separate business entity is established solely for this contract, the contractor's parent company shall guarantee performance. If the contractor is a joint venture or other similar entity where more than one company is involved, the parent companies shall guarantee performance and assume joint and severable liability for the performance of the contractor. (Reference Section K, Clause K.18.) In the event any of the signatories to the Guarantee of Performance enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the contractor agrees to furnish written notification of the bankruptcy to the CO.
- (b) Notwithstanding the provisions of this clause, DOE may contact, as necessary, the single responsible corporate official identified below, who is at a level above the contractor and who is accountable for the performance of the contractor,

regarding contractor performance issues. Should the responsible corporate official change during the period of the contract, the contractor shall promptly notify the CO in writing of the change in the individual to contact. The contractor shall provide the following information:

Name:
 Position:
 Company/Organization:
 Address:
 Phone:
 Facsimile:
 E-mail:

H.6 REIMBURSEMENT OF KEY PERSONNEL

Government reimbursement of compensation paid to Senior Executives is subject to the limitation published in Acquisition Letter (AL) 2000-12, 65 Federal Register 30640 (May 12, 2000) and any updates published in the Federal Register. The compensation limitation does not limit corporate compensation to key personnel and Project Managers, but rather only limits the amount of government compensation that can be reimbursed to contractors for their expenses. The contractor is encouraged to recruit, retain, and compensate the highest quality key personnel and Project Managers to execute the Statement of Work.

H.7 LEGAL MANAGEMENT PLAN

- (a) The contractor shall submit a Legal Management Plan in accordance with 10 CFR Part 719, and include the items set forth in 10 CFR 719.10 to the CO for approval within sixty (60) days of contract award date.
- (b) The Plan will describe the contractor's practices for managing legal costs and matters for which it procures the services of retained legal counsel. Once approved by the CO, the Plan, as well as applicable regulations and contract provisions forms the basis for approvals by the CO to reimburse litigation and other legal expenses. The Plan may be revised from time to time to conform to legal management rules or policies established by DOE.

H.8 PRIVACY ACT SYSTEMS OF RECORDS

- (a) The contractor shall be responsible for the design, development, or operation of applicable systems of records that are subject to the Privacy Act of 1974. They may include:

DOE-5	Personnel Records of Former Contractor Employees
DOE-10	Worker Advocacy Records

DOE-33	Personnel Medical Records -- (Contractor Employees)
DOE-35	Personnel Radiation Exposure Records
DOE-38	Occupational and Industrial Accident Reports
DOE-44	Special Access Authorization for Categories of Classified Information
DOE-48	Security Education and/or Infraction Reports
DOE-51	Employees and Visitor Access Control Records
DOE-52	Access Control Records of International Visits, Assignments, and Employment at DOE Facilities and Contractor Sites
DOE-88	Epidemiological and Other Health Studies, Surveys and Surveillances

- (b) The above list shall be revised from time to time by the CO as may be necessary to keep it current. Such changes need not be formally incorporated before annual fee and scope modifications, but shall have the same effect as if actually listed above, for the purpose of satisfying the listing requirement contained in paragraph (a)(1) of FAR Clause 52.224-2, "Privacy Act."

H.9 UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION (UCNI)

Documents originated by the contractor or furnished by DOE to the contractor in connection with this contract may contain Unclassified Controlled Nuclear Information as determined pursuant to Section 148 of the Atomic Energy Act of 1954, as amended. The contractor shall be responsible for protecting such information from unauthorized dissemination in accordance with DOE Regulations and Directives.

H.10 SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN

The Small Business and Small Disadvantaged Business Subcontracting Plan submitted by the Contractor for this contract, and approved by the Contracting Officer on **(to be filled in at contract award)** is incorporated by reference in this contract. The Contracting Officer shall approve any required revisions to the Plan.

Performance against the above Plan/Program will be considered in the past performance evaluation conducted annually by the CO.

H.11 RESPONSIBILITY FOR EXISTING CONTRACTUAL AND OTHER AGREEMENTS

- (a) Existing contractual agreements entered into by the incumbent contractor that relate to ICP work will be assigned to the contractor on the takeover date. The contractual agreements shall include: (a) all subcontracts and purchase orders, (b) cooperative research and development agreements, (c) consent orders, (d) regulatory agreements and permit requirements, collective bargaining agreements,

lawsuits and other litigation matters and (e) other agreements in effect upon execution of this contract. The contractor shall accept transfer and assume responsibility and accountability for assignment of existing commercial and regulatory obligations of the incumbent contractor of this nature.

- (b) The administration of all subcontracts entered into and/or managed by the contractor, including responsibility for payment hereunder, shall remain with the contractor unless assigned at the direction of DOE. DOE reserves the right to direct the contractor to assign to DOE or another contractor any subcontract awarded under this contract. The contractor agrees to accept transfer of existing subcontracts, specified in Section J, Attachment E, and other subcontracts, as determined necessary by DOE for continuity of operations. The contractor shall attempt to negotiate changes to the assigned subcontracts incorporating mandatory flow-down provisions at no cost. If the subcontractor refuses to accept the changes or requests price adjustments, the contractor will notify the CO in writing.

H.12 DEPARTMENT OF LABOR WAGE DETERMINATION

In the performance of this contract the contractor and/or subcontractors shall comply with the requirements of U.S. Department of Labor Wage Determination Number 1994-2159, Rev. 21, if the contract or subcontracts are covered by the Service Contract Act. This Wage Determination is attached to this contract (see Section J, Attachment D). A revised wage determination shall be required from the Department of Labor and incorporated into this contract at least once every two (2) years but not more often than yearly. The contractor and/or subcontractors shall comply with the revised wage determinations for Service Contract Act covered employees.

H.13 INSURANCE - WORK ON A GOVERNMENT INSTALLATION

The following kinds and minimum amounts of insurance are required during the performance of this contract:

- (a) Worker's Compensation and Employer's Liability Insurance:
 - (1) The amount required by the State of Idaho under applicable Worker's Compensation and occupational disease statutes
 - (2) Employer's liability insurance in the amount of \$500,000.
- (b) General Liability Insurance. Bodily liability coverage written on the comprehensive form of policy of at least \$1,000,000 per occurrence.
- (c) Automobile Liability Insurance. Coverage shall be on the comprehensive form of policy. It shall provide for bodily injury and property damage liability covering

the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$500,000 per person and \$1,000,000 per occurrence for bodily injury and \$100,000 per occurrence for property damage.

- (d) The amount of liability coverage on other policies shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims.

H.14 QUALITY ASSURANCE PROGRAM

Within 90 days of the contract award date, the contractor shall submit to DOE for approval a quality assurance program for nuclear facilities that satisfies the requirements of 10 CFR 830.120 and DOE Order 414.1A. For spent nuclear fuel activities associated with disposal at the monitored geologic repository, the contractor shall comply with the quality assurance requirements specified in DOE/RW-0333P, Office of Civilian Radioactive Waste Management (RW) QA Requirements and Description. The contractor shall develop site-specific quality assurance plans that address requirements specified in applicable DOE Directives and program plans associated with environmental cleanup missions. The contractor shall flow down these quality assurance requirements into subcontracts issued in support of this contract.

H.15 INTERNAL AUDIT

The contractor shall conduct an internal audit and examination program in accordance with the Government Auditing Standards (yellow book, dated May 2002) and Internal Auditing Standards (red book, dated January 2002) of records, operations, expenses, and transactions with respect to costs claimed to be allowable and allocable under this contract. The results of such audit including the working papers shall be submitted or made available to the CO or his/her designee. This clause does not supersede DOE's right to perform self-initiated reviews, evaluations, or audits directed at improving the efficiency of operations and an overall reduction in cost.

H.16 PRICE ANDERSON AMENDMENTS ACT NONCOMPLIANCE

The contractor shall maintain an internal Price Anderson Amendments Act (PAAA) noncompliance identification, tracking, reporting and corrective action system and shall provide access to and fully support DOE reviews of the system. The contractor shall be accountable for ensuring that subcontractors adhere to the PAAA requirements.

H.17 DEFENSE NUCLEAR FACILITIES SAFETY BOARD (DNFSB)

The contractor shall submit for approval Authorization Agreements for applicable nuclear facilities per DOE G 450.4-1B, Integrated Safety Management System Guide. The contractor shall support preparation of DOE responses to DNFSB issues and recommendations that affect or can affect contract work. Based on CO direction, the contractor shall fully cooperate with the DNFSB and provide access to such work areas, personnel, and information as necessary. The contractor shall maintain a document process consistent with DOE M 140.1-1B, "Interface with the Defense Nuclear Facilities Safety Board," dated March 30, 2001. The contractor shall be accountable for ensuring that subcontractors adhere to these requirements.

H.18 LOBBYING RESTRICTION

The contractor agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence Congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.19 NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS-SENSE OF CONGRESS

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

H.20 PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA

- (a) Pursuant to FAR 9.405(a), awards shall not be made to entities that are included on the List of Parties Excluded from Federal Procurement and Non-procurement Programs. If DOE contractor personnel become aware of a possible violation of the prohibition against falsely mislabeling products as made in America, and the entity is not on the List of Parties Excluded from Federal Procurement and Non-procurement Programs, the matter should be promptly reported to the CO in writing and the contractor shall supply the CO with the information that supports the contractor's conclusion that there is a possible violation.
- (b) The report of an entity in violation of the prohibition against falsely mislabeling products as American-Made shall be submitted to DOE Office of Contract Management, Office of Procurement and Assistance Management, for potential debarment of the entity pursuant to FAR 9.406-2(a)(4) and 9.406-2(b)(1)(iii).

H.21 WORKFORCE TRANSITION AND MANAGEMENT

(a) Preference in Hire

During transition, the contractor shall have the flexibility to organize its workforce to effectively and efficiently perform the scope of work with the appropriate number of employees with the required skills. See Section H.21 (c) regarding employees subject to collective bargaining agreement(s). The hiring preference under this clause is contingent upon the following: the individual was an employee of BBWI as of the date of contract award; the employee has not been discharged for cause; and the employee meets the qualifications for the position.

(1) During Contract Transition

The contractor shall provide a first preference in hiring, to the extent practicable, for non-managerial, non-construction positions with the contractor to all individuals who are employees of BBWI as of the date of contract award.

(2) Vacancies After Contract Transition

In the event that new positions are required, or existing positions become vacant and must be filled after contract transition, the hiring preference will be applied in the following order of precedence:

- (i) First preference in hiring for the first six months after the date of contract award will be given to those employees, who were employed with BBWI as of the date of contract award and who otherwise meet the qualifications set forth above for a hiring preference under this clause, but who were not offered employment with either the ICP or INL contractor during contract transition;
- (ii) Second preference will be given to displaced employees from BBWI, who are eligible for a hiring preference pursuant to Section 3161 of the National Defense Authorization Act of FY 1993, consistent with DEAR clause 952.226-74 and applicable DOE guidance; and
- (iii) Third preference will be given to other former contractor employees who are eligible for a hiring preference pursuant to Section 3161 of the National Defense Authorization Act of FY 1993, consistent with DEAR clause 952.226-74 and applicable DOE guidance.
- (iv) The following costs shall be unallowable:

- a. Any “sign-on” bonuses offered or paid to BBWI employees or employees of BBWI or BBWI’s teaming partners as employment inducements;
 - b. Costs associated with the failure to comply with the above hiring preference and requirements set forth above, even if those costs would otherwise be allowable under this contract.
- (3) The contractor shall provide the CO with a list of BBWI employees hired during contract transition and six months thereafter. The list shall include the employees' position and salary. The contractor shall also provide a list of BBWI employees that are hired by the contractor at another facility, or by a subsidiary, affiliate, parent company, or teaming partner, during the transition.
- (b) Pay and Benefits
 - (1) Except as otherwise provided in Section H.21, employees of BBWI below the manager level on the date of contract award who transition to the contractor will for at least one year be provided substantially equivalent employee pay and comparable employee benefits to the pay and benefits the BBWI employees were receiving as of the final day of contract DE-AC07-99ID13727. These include but are not limited to medical, life insurance, long-term disability, and leave benefits.
 - (2) The contractor shall credit all individuals it employs who were employed by BBWI as of the date of contract award with their current length of service for purposes of determining leave benefits, severance payments, and other service awards.
 - (3) The contractor shall honor accrued leave benefits of BBWI employees as of the last day of contract DE-AC07-99ID13727.
 - (4) Pension and Other Benefit Plans -- The contractor shall manage and sponsor pension and welfare benefit programs at the site for its employees in accordance with applicable law. The Contractor shall obtain the written approval of the CO before it initially implements any pension or retirement income plan, or any retirement medical or other welfare benefit plan. The Contractor will also have responsibility for funding, administering, and maintaining the qualified status of all pension and investment plans.
 - (i) Grandfathered Employees.

- a. For a minimum period of five years after contract takeover but not past the contract end date, employees hired by the Contractor who were employed by BBWI during contract transition and who are participants in the BBWI defined benefit pension plan ("grandfathered employees") shall be allowed to accrue credit under the current defined benefit pension plan sponsored by the INL Contractor with benefits and terms substantially equivalent to those pertaining under the BBWI defined benefit plan at contract award, for service under this contract. The Contractor will become a participating member or co-sponsor of this defined benefit plan being sponsored and administered by the INL Contractor.
 - b. In a timely manner prior to the end of that five-year period, the contractor shall propose for CO approval its plan for either terminating this plan, transitioning grandfathered employees to the plan established under H.21(b)(4)(ii) for non-grandfathered employees, or continuing this defined benefit plan for eligible employees until the contract end date.
 - c. This grandfathered employee plan shall accept rollovers of the interests of individuals employed by BBWI and vested in the BBWI plan at contract transition who are employed by INL after contract transition and who thereafter become employees of the Contractor without treating their employment at INL as a break in service.
- (ii) Employees hired during the term of this contract who are not former employees of BBWI with vested interests in the BBWI defined benefit pension plan ("non-grandfathered employees") shall not become participants in the plan for grandfathered employees unless the contractor can demonstrate that it is more cost effective to DOE to do so and the CO provides written approval. Subject to CO approval, the contractor shall provide non-grandfathered employees, subject to any applicable requirements of the Service Contract Act, with a market-based, industry-competitive pension plan or the contractor may incorporate newly hired employees into its existing corporate defined contribution plans or its corporate pension/benefits structure.
 - (iii) Any defined contribution plan established by the Contractor will be made available to grandfathered employees for employee contributions and rollovers from the existing BBWI defined

contribution plan. The Contractor will assure continuity of sponsorship for the existing site defined contribution plan with respect to benefits accrued as of contract award.

- (iv) Because the contractor is responsible for administering and maintaining the qualified status of all pension and investment plans, the contractor must submit annual actuarial and employer certification as the sponsoring employer and participating employer in the pension plans demonstrating full compliance with Internal Revenue Code and Employee Retirement Income Security Act (ERISA) requirements including, but not limited to, any applicable non-discrimination testing.
- (v) During this contract, the Contractor may change the pension and welfare benefit plans. Changes or amendments to any of the pension and welfare benefit plans, including any of the retirement medical benefits, shall be consistent with applicable law, terms of the respective plans with respect to the procedures for amending such plans, and the terms of this contract and shall be made only with the express, advance, written consent of the CO.
- (vi) Post-Contract Responsibilities for Pension and Benefit Plans
 - a. If the contract is terminated or expires without a follow-on contract, the Contractor shall continue as plan sponsor of all existing and follow-on pension and welfare benefit plans covering site personnel with responsibility for management and administration of the plans, as directed by DOE, at DOE's sole discretion.
 - b. In accordance with DOE-approved Contractor welfare benefit plans, the Contractor shall provide benefit continuation on a funding basis acceptable to DOE.
 - c. During the final 12 months of this contract, the Contracting Officer shall provide written direction regarding post-contract responsibilities for pension and welfare benefit plans.
- (c) Labor Relations (Also refer to the clause entitled "Collective Bargaining Agreements—Protective Services" (DEAR 952.237-70) contained in Section I)
 - (1) The contractor agrees to conduct its labor relations program in accordance with DOE's intent that labor policies and practices reflect the best experience of American industry in aiming to achieve the type of stable labor-management relations essential to the successful accomplishment of

DOE's programs at reasonable cost. Collective bargaining will be left to the orderly processes of negotiation and agreement between contractor management and certified employee representatives with maximum possible freedom from DOE involvement. The contractor management's stewardship for working on DOE facilities and programs critical to the national interest includes the duty to adopt practices which are fundamental to the friendly adjustment of disputes, and which experience has shown to be consistent with the stability of collective bargaining relationships.

- (2) The contractor will maintain positive labor-management relations. The contractor will respect the rights of employees to: organize, form, join, or assist labor organizations; bargain collectively through representatives of their own choosing; engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; and to refrain from any or all of such activities.
- (3) Consistent with applicable law and regulations, the contractor will recognize and bargain with the Paper, Allied-Industrial, Chemical and Energy (PACE) labor organization as the collective-bargaining representative of employees performing work that has historically and traditionally been performed by PACE members and is covered in the scopes of these contracts, and negotiate collective bargaining agreements. During the collective-bargaining process, the Contractor shall obtain DOE CO approval before proposing or agreeing to changes in any pension or retirement income plans or to any retirement medical or other welfare benefit plans.
- (4) Project Labor Agreements*

"Labor organization," as used in this clause, shall have the same meaning it has in 42 U.S.C. 2000e(d).

Unless acting in the capacity of a constructor on a particular project, the Contractor shall not -

- (i) Require bidders, offerors, contractors, or subcontractors to enter into or adhere to nor prohibit those parties from entering into or adhering to agreements with one or more labor organizations, i.e., project labor agreements, that apply to construction project(s) relating to this contract; or
- (ii) Otherwise discriminate against bidders, offerors, contractors, or subcontractors for refusing to become or to remain signatories or to otherwise adhere to project labor agreements for construction project(s) relating to this contract.

When the Contractor is acting in the capacity of a constructor, i.e., performing a substantial portion of the construction with its own forces, it may use its discretion to require bidders, offerors, contractors, or subcontractors to enter into a project labor agreement that the Contractor has negotiated for that individual project.

Nothing in this clause shall limit the right of bidders, offerors, contractors, or subcontractors to voluntarily enter into project labor agreements.

***NOTE:** This draft RFP includes the clause “Open Competition and Labor Relations under Management and Operating and Other Major Facilities Contracts (DEC 2002),” as set forth in Acquisition Letter 2002-08. Consistent with Executive Order 13202, this clause neither requires nor prohibits the use of project labor agreements for construction work under this contract, unless the contractor is acting in the capacity of a construction manager, in which case the contractor is prohibited from requiring bidders, offerors, contractors or subcontractors to enter into a project labor agreement or prohibiting them from doing so. The current management and operating contractor for the Idaho National Laboratory is a signatory to a long-standing project labor agreement, the Site Stabilization Agreement, which governs all construction work at the Idaho Site. Under section 5(c) of Executive Order 13202, the agency head may grant an exemption to the Executive Order where the agency has issued bid specifications or other controlling documents containing a requirement to abide by a project labor agreement and one or more construction contracts subject to such requirement have been awarded as of the date of the Executive Order. The Department is considering whether an exemption from the Executive Order’s requirements is permissible and appropriate for the contract awarded under this RFP. The Department’s decision on this matter will be reflected in the final RFP.

(5) Employee Relations

The contractor is expected to maintain a positive employee relations environment that will foster high productivity at reasonable cost. The contractor will implement effective employee concerns resolution programs.

(6) Advance Understandings

- (i) DOE intends to reach advance understandings with the contractor on pension and welfare benefits applicable to work under this contract and on the contractor's other applicable human resource policies and systems. Before personnel costs and related expenses (including those for pension and welfare benefits) shall be considered allowable under this contract, the contractor shall obtain DOE CO approval of contractor policies and procedures

covering such personnel costs and related expenses. The contractor must also obtain prior written DOE CO approval of any subsequent changes to such policies. In particular, the Contractor shall obtain written DOE CO approval of any changes to policies affecting any pension or retirement income plan or to any welfare benefit plan, including any change to applicable pension and welfare benefit plans or to any underlying trust documents that affect such policies or plans. A Personnel Appendix will not be used. Any deviation from the advance understandings must be approved by the CO in writing before such costs incurred will be considered allowable (either as direct or indirect costs) under this contract. These understandings in advance of cost incurrence avoid subsequent disputes in cost categories where reasonableness or allowability may be difficult to determine.

- (ii) Examples of personnel costs and related expenses covered by the advance understandings include, but are not limited to, the following: salaries and wages; bonuses and incentive compensation; fringe benefits; premium pay; overtime; holidays; paid time off (vacations, holidays, sick, funeral, military, jury, witness, voting leave); travel, subsistence and relocation; training; insurance; workers compensation; and employee benefit plans such as savings, retirement, separation, life insurance, medical, and disability (short and long term).
- (iii) Relocation costs incurred with regard to relocating an employee to the work site are included in the target cost, and are allowable in accordance with FAR 31.205-35, Relocation Costs, for this contract. The contractor shall submit a plan for advance written approval from the CO regarding the temporary and permanent relocation of all employees to the local area charging the cost, or any portion thereof, to this contract. Exit relocation costs are not allowable.
- (iv) The contractor shall comply with the provisions of the Idaho Operations Office Workforce Restructuring Plan, dated July 1998, as well as the clauses in Section I addressing “Displaced Employee Hiring Preference” (DEAR 952.226-74) and “Workforce Restructuring Under Section 3161 of the National Defense Authorization Act” (DEAR 970.5226-2). The contractor will use its best efforts to mitigate social and economic impacts on the local community.
- (v) The contractor will continue a detailed manpower planning process, which aligns staffing levels over time and is integrated with the site project baseline. The contractor will share this

information periodically with its employees to encourage those in classifications scheduled for reduction to take advantage of the many programs offered. These programs provide an opportunity for employees to transition into other site job classifications, which are increasing, or to better position them to leave the site for other employment opportunities.

- (vi) The contractor has authority for contractor separations of below 50 employees in a 12-month period without prior approval from Headquarters or the Idaho Operations Office. At least fifteen workdays prior to implementing the separation, the contractor shall simultaneously notify the Idaho Operations Office (Manager) and the congressional district office. For separations above 50 employees, the contractor will need the approval of the Idaho Operations Office.

(vii) Contractor Human Resource Programs

The contractor shall comply with DOE Order 350.1 (Contractor Human Resource Management Programs). Upon issuance of the revised DOE Order, the contractor and CO will meet and negotiate implementation procedures.

- (d) The above clause, as all other clauses, is not enforceable by, or for the benefit of, and shall create no obligation to any person or entity other than the contracting parties.

H.22 SEVERANCE PAY

- (a) Severance pay benefits are not payable to an employee under this contract when the employee:
 - (1) Voluntarily separates from employment
 - (2) Is offered employment with a successor/replacement contractor
 - (3) Is offered employment with a parent or affiliated company
 - (4) Resigns, or
 - (5) Is discharged for cause.
- (b) In determining the Years of Service Credit to be used in calculating severance pay for Key Personnel, only the years of service on this contract, plus the years of service worked on this or other DOE sites for other DOE Contractors shall be used in calculating severance pay.

H.23 LABOR STANDARDS

DOE shall determine the appropriate labor standards that apply to work activities in accordance with the Davis-Bacon Act or other applicable labor law. When requested by DOE, the Contractor shall timely provide information necessary for the Government to make the determination. Once a determination is made, the Contractor is responsible for complying with the determination and incorporating appropriate labor standards requirements into subcontracts.

H.24 CERTIFICATIONS AND OTHER STATEMENTS OF THE OFFEROR

The Representations, Certifications, and Other Statements of the offeror submitted with the offer for this contract are, by reference, hereby incorporated in and made a part of this contract.

H.25 STAKEHOLDER INTERACTION

The contractor shall, in addition to its own employees, engage in cooperative communications through and with external stakeholder organizations, including but not limited to:

The U.S. Environmental Protection Agency, Region 10
 Idaho Department of Environmental Quality
 Shoshone-Bannock Tribes
 Eastern Idaho Economic Development Council (EIEDC), Regional Development Alliance (RDA) and other community economic development organizations
 Paper, Allied-Industrial, Chemical and Energy (PACE)
 Local media and trade press
 City and county governments in the five-county INEEL area
 NE-ID
 DOE-HQ
 Idaho Congressional Staff and related congressional committees
 Defense Nuclear Facilities Safety Board (DNFSB)
 Department of Labor
 Inspector General
 Defense Contract Audit Agency
 INEEL Citizens Advisory Board (CAB)
 Environmental Interest Organizations
 Regulators
 Idaho Governor's Office
 Nuclear Regulatory Commission
 Interested individual stakeholders

H.26 ALLOCATION OF RESPONSIBILITIES FOR CONTRACTOR ENVIRONMENTAL COMPLIANCE ACTIVITIES

This clause allocates the responsibilities of DOE and the Contractor, referred to collectively as ‘the Parties’ for implementing the environmental requirements at facilities within the scope of the Contract. In this clause, the term ‘environmental requirements’ means requirements imposed by applicable Federal, state and local environmental laws and regulations, including, without limitation, statutes, ordinances, regulations, court orders, consent decrees, administrative orders or compliance agreements, consent orders, permits, and licenses.

(a) Purpose and Scope.

The central purpose of this section is to implement the intent of the Parties that liability and responsibility for civil fines or penalties arising from or related to violations of environmental requirements be borne by the Party that caused the violation. This clause resolves liability for fines and penalties though the cognizant regulatory authority may assess such fine or penalty upon either Party or both Parties without regard to the allocation of responsibility or liability under this Contract. The allocation of liability for such fine or penalty is effective regardless of which Party signs permit applications, manifests, reports or other required documents, is a permittee, or is the named subject of an enforcement action or assessment of a fine or penalty.

(b) Enforcement Actions and Liability for Fines and Penalties.

Regardless of which party to this contract is the named subject (contractor or DOE) of an enforcement action for noncompliance with the environmental, safety, health, or quality requirements by the cognizant regulatory authority; liability for payment of any fine or penalty as a result of contractor actions or inactions is the responsibility of the contractor, and the contractor will either pay the fine or penalty or reimburse DOE (if DOE pays the fine or penalty). Cost of fines and penalties resulting from violations of, or failure of the contractor to comply with Federal, State, local, or foreign laws and regulations, are unallowable except under the conditions specified at FAR 31.205-15.

(c) Signature of Permit Applications and other Regulatory Documents

- (1)** The Contractor must obtain any licenses, permits, other approvals or authorizations for conducting activities on the INL. The Contractor is responsible for complying with all permits, licenses, certifications, authorizations and approvals from federal, state, and local regulatory agencies that are necessary for operations under this Contract (hereinafter referred to collectively as ‘permits’). Except as specifically provided in the section and to the extent not prohibited by law or cognizant regulatory authority, the Contractor (or, if applicable, its subcontractors) will be the sole applicant for any such permits required for its activities. The

Contractor must take all appropriate actions to obtain transfer of existing permits, and DOE will use all reasonable means to facilitate transfer of existing permits. If DOE determines it is appropriate or if DOE is required by cognizant regulatory authority to sign permit applications, DOE may elect to sign as owner or similar designation, but the Contractor (or, if applicable, its subcontractors) must also sign as operator or similar designation reflecting its responsibility under the permit unless DOE waives this requirement in writing.

- (2) The Contractor must submit to DOE for DOE's review and comment all permit applications, reports or other documents required to be submitted to cognizant regulatory authorities. Such draft documents must be provided to DOE within a time frame, identified by DOE, sufficient to allow DOE substantive review and comment; and DOE will perform such substantive review and comment within such time frame. When providing DOE with documents that are to be signed or co-signed by DOE, the Contractor will accompany such document with a certification statement, signed by the appropriate Contractor corporate officer, attesting to DOE that the document has been prepared in accordance with all applicable requirements and the information is, to the best of its knowledge and belief, true, accurate, and complete.
- (3) Except as specifically provided in this clause and to the extent not prohibited by law or cognizant regulator authority, the Contractor (or, if applicable, its subcontractors) will be the signatory for reports, hazardous waste manifests, and other similar documents required under environmental permits or applicable environmental laws and regulations.

H.27 DISPOSITION OF INTELLECTUAL PROPERTY – FAILURE TO COMPLETE (SPECIAL)

- (a) In the event of a termination, default, or failure to complete by the contractor, DOE may take possession of all technical information, including limited rights data and data obtained from subcontractors, licensors, and licensees, necessary for the design, construction, operation, cleanup and closure of the facility, subject to the Rights in Data - Facilities clause of this contract. Technical information includes, but is not limited to, designs, operation manuals, flowcharts, software, work progress reports, and any other information necessary for the design, construction, operation, cleanup and closure of the facility. DOE's exercise of its right to have data transferred under this paragraph shall not be dependent on final payment under the agreement by DOE.
- (b) Upon request, the Contractor agrees to grant to the Government an irrevocable, non-exclusive, paid-up license in and to any intellectual property, including any technical information and limited rights data, which are owned or controlled by the Contractor, at any time through completion or termination of this contract and

which are necessary for the continued design, construction, operation, cleanup and closure of the facility, (1) to practice or to have practiced by or for the Government at the facility, and (2) to transfer such license to future contractors for the design, construction, operation, cleanup and closure of the facility. The acceptance or exercise by the Government of the aforesaid rights and license shall not prevent the Government at any time from contesting the enforceability, validity, or scope of, or title to, any rights or patents or other intellectual property herein licensed.

- (c) In addition, the Contractor will take all necessary steps to assign permits, authorizations, and any licenses in any third party intellectual property for the design, construction, cleanup and closure of the facility to DOE or such other third party as DOE may designate.

H.28 PUBLIC RELEASE OF INFORMATION

- (a) The Contractor shall be responsible for developing, planning and coordinating proactive approaches to dissemination of timely information regarding DOE unclassified activities. This will be accomplished through coordination with DOE. Proactive communications or public affairs programs will include or make use of a variety of tools, among them open houses, newsletters, press releases and/or conferences, audio/visual presentations, speeches, forums, and tours. The responsibility will be carried out in such a manner that the public, whether it is the media, citizen's groups, private citizens or local, state or Federal Government officials, has a clear understanding of DOE activities at the INL.
- (b) The Contractor shall be responsible for following established DOE procedures for clearances on all oral, written and audio/visual informational material prepared for public use.

H.29 SOURCE AND SPECIAL NUCLEAR MATERIALS

The Contractor shall comply with all applicable regulations and instructions of DOE relative to the control of and accounting for source and special nuclear material (as those terms are defined in the Atomic Energy Act of 1954). For the source and special nuclear materials being stored in NRC regulated facilities, the applicable NRC regulations and instructions shall apply instead of DOE requirements. The Contractor shall make such reports and permit such inspections as the applicable DOE or NRC regulations may require with reference to source and special nuclear materials. The Contractor shall take all reasonable steps and precautions to protect such materials against theft and misappropriations and to minimize all losses of such materials.

H.30 APPLICATION OF DOE DIRECTIVES AND ALTERNATIVES

- (a) The contractor shall perform the work of this contract in accordance with each of DOE directives appended to this contract as Section J, Attachment B, until such time as the Contracting Officer approves the substitution of an alternative procedure, standard, system of oversight, or assessment mechanism resulting from the process described below. The process described in this clause does not affect the application of applicable laws and regulations, nor does it preclude the use of deviation processes provided for in existing DOE directives.
- (b) The contractor may, at any time during performance of this contract, propose an alternative procedure, standard, system of oversight, or assessment mechanism to the requirements in a listed directive by submitting to the Contracting Officer a signed proposal describing the nature and scope of the alternative procedure, standard, system of oversight, or assessment mechanism (alternative), the anticipated benefits, including any cost schedule for implementation of the alternate. The contractor shall include an assurance signed by the Project Manager that the revised alternative is an adequate and efficient means to meet the objectives underlying the directive.
- (c) The Contracting Officer will within sixty (60) days: 1) deny application of the proposed alternative; 2) approve the proposed alternative, with conditions or revisions; 3) approve the proposed alternative; or 4) provide a date by which a decision will be made (not to exceed an additional sixty (60) days).
- (d) Upon approval by the Contracting Officer, the contractor shall implement the alternative. During performance of the contract, the Contracting Officer may notify the contractor that he or she intends to unilaterally add directives not then listed in Section J, Attachment B, or modifications to listed directives. The provisions of this clause also apply to these additional modifications.
- (e) If, during performance of this contract, the Contracting Officer (CO) determines that an alternative procedure, standard, system of oversight, or assessment mechanism adopted through the operation of this clause is not satisfactory, the CO may, in his or her sole discretion, determine that corrective action is necessary and require the contractor to prepare a corrective action plan for the CO's approval. If the CO is not satisfied with the corrective action taken, the CO may direct corrective action to remedy the deficiency, including, if appropriate, the reinstatement of the directive.

H.31 GOVERNMENT-OWNED PROPERTY AND EQUIPMENT

Upon effective date of this contract, the Contractor shall accept the transfer of and accountability for Government-Owned property and equipment, including special nuclear material from existing contracts. Any government-owned property or equipment that the Contractor cannot accept due to it not being accounted for and the survey not being complete will be identified by the Contractor and provided to the Contracting Officer.

H.32 PRESERVATION OF ANTIQUITIES, WILDLIFE, AND LAND AREAS

- (a) Federal law provides for the protection of antiquities located on land owned or controlled by the U.S. Government. Antiquities include Indian graves or campsites, relics, and artifacts. The Contractor shall control the movements of its personnel and its subcontractor's personnel at the job site to ensure that any existing antiquities discovered thereon will not be disturbed or destroyed by such personnel. It shall be the duty of the Contractor to report the existence of any antiquities so discovered. The Contractor shall also preserve all vegetation except where such vegetation must be removed for survey or construction purposes. Further, all wildlife must be protected.
- (b) Except as required by or specifically provided for in other provisions of this contract, the Contractor shall not perform any excavations, earth borrow, preparation of borrow areas, or otherwise disturb the surface soils within the job site without the prior approval of DOE or its designee.
- (b) The contractor shall comply with the National Historic Preservation Act, the Department of Energy Historic Preservation Program and the programmatic agreement among DOE Idaho Operations Office, the Advisory Council on Historic Preservation and the State Historic Preservation Office (SHPO) regarding modification or demolition of historic properties on the INL.

H.33 FINANCIAL REQUIREMENTS

- (a) The Contractor shall operate and maintain a financial management system that:
 - (1) Complies with laws, regulations and DOE directives, and conforms with Generally Accepted Accounting Principles, Federal Financial Accounting Standards, and Cost Accounting Standards
 - (2) Provides current, accurate, complete, reliable, and auditable financial and statistical data on a timely basis
 - (3) Ensures accountability for all assets
 - (4) Supports financial planning and budget formulation, validation, execution, and performance measurement
 - (5) Maintains proper funding authorization documentation
 - (6) Provides sufficient management controls and administrative internal controls
 - (7) Integrates and reports the financial information for subcontractors

- (8) Provides all other necessary financial reports, which shall include accumulating and reporting indirect costs; and,
 - (9) Allows submission of payment vouchers that are accurate, complete, reliable, timely, and supportable by detailed backup source documents verifying the cost of the voucher.
- (b) The Contractor shall submit a plan for Contracting Officer approval of any substantive change to the financial management system or subsystems at least 30 days in advance of implementation. This plan must identify the cost and schedule for changing from the existing financial systems, and provide a comparison of the capabilities of the new system(s) to the existing system(s). Any new system modifications are subject to review and audit.
- (c) The Contractor's Financial Management System shall:
- (1) Allow closing the financial books and records consistent with DOE fiscal year basis and provide other reports as required per the Contracting Officers annual schedule. Project-to-date cost accumulation and reporting shall be maintained throughout the life of the project.
 - (2) Plan, develop, monitor, and report Contractor indirect costs by major work activity/service area as determined by DOE. Financial analysis capabilities shall be sufficient to model indirect cost rates for planning purposes (budget submissions) and execution year actual rates with minimal changes that impact program performance and fiscal effectiveness. The Contractor shall compile and submit to DOE an annual forward pricing rate proposal. This proposal shall document indirect costs by service/activity, including company level rates and billable rates for recoverable services, funded by their indirect rate structure as well as provide detail on the recovery base projections for each indirect rate. This submission shall provide sufficient detail to allow the Contracting Officer to review and approve the rate proposal. The contractor shall maintain sufficient actual cost performance records to allow final audit of forward pricing rate proposals.
 - (3) Allow identification, correction, and reporting erroneous payments made by the Contractor consistent with Departmental guidance/requirements.
 - (4) Provide other required accounting information (cost and balance sheet data) consistent with DOE requests/requirements.
 - (5) Allow for the establishment of charging practices, policies, procedures, which will be employed by the contractor to collect and report forecasted and incurred cost. Charging practices shall not be changed without

modification of the contract as approved by the DOE Contracting Officer (CO). This includes, but is not limited to, arbitrary changes in work discipline codes whether applied to specific employees or classes of employees - changing, altering or closing of established charge numbers related to specific tasks, changes in work breakdown structure or other system attributes utilized in the collection and forecasting of cost including cost accounting changes or any other change affecting the historical records of projects. The contractor is to provide it's proposed work breakdown structure, chart of accounts and charging practices and policies to DOE for approval.

- (6) Provide information for the annual budgets in accordance with guidance from the Contracting Officer and UNICALL.
- (7) Establish a practice where historical records shall be the basis of all labor cost estimates unless proposed work has never been performed at the site and there are no historical records available from other sites that are considered useable or are too expensive to obtain. Use of the most reliable estimating sources (such as historical, non-historical, parametric and other generally accepted estimating data) is appropriate for non-labor cost categories.

H.34 NOTICE OF CIVIL PENALTIES FOR VIOLATION OF SECURITY OF DOE CLASSIFIED OR SENSITIVE INFORMATION OR DATA

The contractor shall be required to comply with PL 107-197 relating to the safeguarding and security of restricted data, 42 U.S.C.A. 2282b. Any person who has entered into a contract or agreement with DOE, or a subcontract or sub-agreement thereto, and who violates (or whose employee violates) any applicable rule, regulation, or order prescribed or otherwise issued by the Secretary pursuant to this chapter relating to the safeguarding or security of Restricted Data or other classified or sensitive information shall be subject to a civil penalty of not to exceed \$100,000 for each such violation.